(b) whether it is a fact that Government does not allow transfer of ownership rights of land and building to the allottees by the SEZ developers; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE (DEPARTMENT OF COMMERCE) MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH); (a) No, Sir. The Special Economic Zones Act, 2005 and the Special Economic Zones Rules, 2006 came into effect only from 10th February, 2006 and are currently in operation. The SEZ Rules are reviewed and amended from time to time as per requirements and three amendments have already been carried out on 10th August 2006, 16th March 2007 and 12 October, 2007.

(b) and (c) Under the Special Economic Zones, Rules, 2006, sale of land by the Developer in Special Economic Zone is not allowed. Land can be allotted by the Developer only on lease basis. This ensures legal enforcement of various reqirements of the SEZ Act and Rules on the Developer.

Shifting of software companies to SEZs

3108. SHRI KALRAJ MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware that many software Information Technology Enabled Services (ITES) companies are planning to shift to SEZs because tax benefits of software technology parks will end in 2009;

(b) if so, whether the Government proposes to extend the tax benefits there itself;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (d) direct Tax benefits are available to Special Economic Zone (SEZ) units in accordance with the provision of Section 10AA of the Income Tax Act, 1961 which has been amended to ensure that direct tax benefits are available to only those undertakings, being a unit which is not formed by spliting up or reconstruction of a business already in existence.

Products reserved for SSI sector

3109. SHRI D. RAJA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government has decided to take 79 items out of the list of products reserved for the Small Scale Industry (SSI) sector; and

(b) if so, the details thereof and the details of the remaining items reserved for SSI sector?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR):